

FAIRMONT CITY COUNCIL AGENDA

Monday, November 8, 2021, 5:30 p.m.

1. **Roll Call/Determination of Quorum**
2. **Pledge of Allegiance**
3. **Approval of Agenda**
4. **Recognition/Presentations**
 - 4.1 Proclamation – Community Education & Recreation Day (03)
5. **Public Discussion/Comment** (Individual comments are limited to 3 minutes) (05)
6. **Consent Agenda** (Items removed from consent will be placed at the end of the items under new business)
 - A. **Minutes**
 - 6.A.1 Regular Meeting, October 25, 2021 (06)
 - 6.A.2 Special Meeting, October 27, 2021 (10)
 - B. **Check Registers**
 - C. **Other**
 - 6.C.1 Event Permit - Fairmont Christian School, Fairmont Christian School Harvest Hustle 5K, November 20, 2021 (13)
7. **Public Hearings**
8. **Old Business**
9. **New Business**
 - 9.1 MNDOT Grant Agreement for Airport Maintenance and Operation (19)
 - 9.2 2021 Double Frontage Assessment Agreements (27)
 - 9.3 Charter Commission (30)
 - 9.4 National Opioid Settlement (33)

10. Council Discussion

11. Staff/Liaison Reports

A. Public Works

B. Finance

11.B.1 Quarterly Financial Report (38)

C. City Administrator

D. Mayor/Council

Foster - HRA

Hasek – PUC

Miller – FEDA

Peters – Visit Fairmont, FEDA

12. Adjournment



Fairmont City Council
November 8, 2021

Agenda Item: 4.1

From: Mayor Deborah J. Foster
To: City Council

Subject: Proclamation – Community Education & Recreation Day

Policy/Action Requested: Proclamation

Vote Required: _____ Simple Majority _____ Roll Call

Recommendation:

Overview: Mayor Deborah J. Foster will proclaim November 11, 2021 as Community Education & Recreation Day in the City of Fairmont.

Budget Impact: N/A

Attachments: Proclamation

Council Action: _____ Date: _____



CITY OF FAIRMONT – 100 Downtown Plaza – Fairmont, MN 56031
www.fairmont.org

Phone (507) 238-9461

Fax (507) 238-9469

PROCLAMATION

WHEREAS, Fairmont Community Education and Recreation provides lifelong learning and leisure opportunities for all ages and;

WHEREAS, Fairmont CER recognizes the significant value of all youth and adults as important assets and resources to community development, and;

WHEREAS, Fairmont CER fosters partnerships and collaborations with other organizations and agencies to promote the positive usage of community resources for the betterment of all citizens, and;

WHEREAS, The Fairmont CER Advisory Council is representative of the area populations and encourages all citizens, young and old, to be lifelong learners and actively engaged in the community, and;

WHEREAS, Fairmont CER actively encourages inclusion and promoting commonality among all citizens as valued members of our community, and;

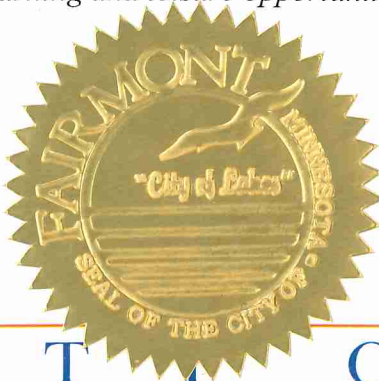
WHEREAS, Fairmont CER actively seeks new ways to be involved in achieving the goals of whole communities collaborating for the greater good, and;

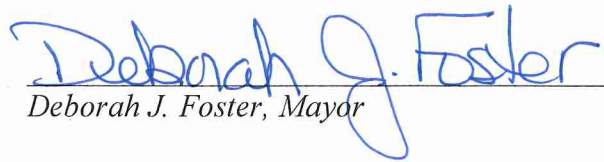
WHEREAS, Fairmont CER enhances the quality of life for our community and promotes healthy, purposeful lifestyles for all ages.

NOW, THEREFORE, BE IT RESOLVED THAT I, Mayor Deborah J. Foster, do hereby proclaim Thursday, November 11, 2021 as

COMMUNITY EDUCATION and RECREATION DAY

in the City of Fairmont and call upon all citizens to recognize and participate in this special observance by supporting Fairmont Community Education and Recreation as a provider of lifelong learning and leisure opportunities for all ages and by being involved in community life activities.




Deborah J. Foster, Mayor



Fairmont City Council
November 8, 2021

Agenda Item: 5

From: Cathy Reynolds, City Administrator
To: Mayor and City Council

Subject: Open Discussion/Comment

Policy/Action Requested:

Vote Required: ____ Simple Majority ____ Roll Call

Recommendation: N/A

Overview: Prior to regular business, is there any public discussion/comment?

Budget Impact: N/A

Attachments: N/A

Council Action: _____ Date: _____



Fairmont City Council
November 8, 2021

Agenda Item: 6.A.1

From: Patricia J. Monsen, City Clerk
To: Mayor and City Council

Subject: Council Minutes from Regular Meeting on October 25, 2021

Policy/Action Requested: To Approve City Council Minutes from October 25, 2021

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview:

Budget Impact: N/A

Attachments: City Council Minutes Regular Meeting, October 25, 2021

Council Action: _____ Date: _____

The minutes of the Fairmont City Council meeting held on Monday, October 25, 2021, at the City Hall Council Chambers.

Mayor Deborah J. Foster called the meeting to order at 5:30 p.m.

Council Members Wayne Hasek, Britney Kawecki, Randy Lubenow, Michele Miller, and Bruce Peters were present. Also in attendance: City Administrator Cathy Reynolds, Public Works Director/City Engineer Troy Nemmers, Finance Director Paul Hoye, Police Chief Mike Hunter, City Clerk Patricia J. Monsen, and City Attorney Mark Rahrlick.

Council Member Hasek made a motion to remove item 10.1 Discussion of Professional Services Solicitation and Construction Solicitation from the agenda. Council Member Peters seconded the motion. On roll call: Council Members Hasek, Miller and Peters all voted aye. Council Members Kawecki and Lubenow voted nay. Mayor Foster declared said motion passed. Council Member Peters made a motion to approve the agenda as amended. Council Member Miller seconded the motion. On roll call: Council Members Kawecki, Lubenow, Miller, Peters and Hasek all voted aye. No one voted nay. Mayor Foster declared said motion passed.

Mayor Foster declared the week of October 23 - 31, 2021, as Red Ribbon Week in the City of Fairmont. Steph Johnson, Kate Kallenbach and several students were present for the proclamation.

Economic Development Coordinator Linsey Preuss presented the 2021 Q3 Community Development Report.

During public comment, Dortheye Copley of 110 Lake Park Boulevard asked Council to consider reviewing and changing the City Code to allow five dogs versus three. Donna Johnson of 503 South Prairie also asked if there was a distinction between having dogs or service dogs. She stated that they have two pet dogs and two service dogs.

Jay Maynard of 1831 Oakwood commented on the proposed updated Rental Housing Ordinance. He supported the changes and encouraged the Council to make a decision on it.

Jen Kahler of 103 E. Interlaken Road spoke about the 12Ks of Christmas Fun Run on December 12, 2021. This will be a free event with donations of food or money to be given to Heaven's Table. Volunteers for the event are welcomed.

Danny Klous of 2407 82nd Street expressed his frustration with proposed changes to the Rental Housing Code. He feels that there is nothing wrong with the current code and that it just needs to be enforced. He also stated that having to produce proof of insurance, proof of paid real estate taxes and utilities was an invasion of privacy.

Doug Willner of 4 Forgotten Lake Road, stated that he is frustrated that he has not received a response from the City Administrator Reynolds, Planner/Code Enforcement Technician Bode, and the Council on phone calls he has placed and emails he has sent.

Council Member Peters made a motion to approve the items on the Consent Agenda. Council Member Hasek seconded the motion and the motion carried. Items on the Consent Agenda were: Minutes from the October 11, 2021 City Council Meeting; October 2021 Accounts Payable;

Event Permit for Martin County Substance Abuse Prevention Coalition to hold Empower Fall Fest on October 29, 2021; Event Permit for Jen Kahler to hold “The 12K’s of Christmas” Fun Run on December 12, 2021; and the purchase of pneumatic system for the Public Works Building.

Council Member Hasek made a motion to table the vote on proposed **Ordinance 2021-03**, Fairmont City Code Chapter 27 – Rental Housing. Council Member Miller seconded the motion. On roll call: Council Members Miller, Peters, Hasek and Kawecki all voted aye. Council Member Lubenow voted nay. Mayor Foster declared said motion passed. Discussion was held. Council Member Kawecki made a motion to schedule a two-hour meeting, open to the public, for discussion of the rental ordinance. Council Member Miller seconded the motion and the motion passed. November 17, 2021 at 5:30 p.m. in the City Hall Council Chambers was chosen for the date and time of the meeting. The Council encourages citizens and renters to contact council with comments and concerns.

Council Member Lubenow made a motion to approved proposed **Ordinance 2021-04**, Fairmont City Code Chapter 28 – Vacant Building Regulation. Council Member Miller seconded the motion. On roll call: Council Members Miller, Peters, Hasek, Kawecki and Lubenow all voted aye. No one voted nay. Mayor Foster declared said motion passed.

Council Member Peters made a motion to approve the 2021-2022 LELS Labor Contract and Memorandum of Understanding. Council Member Hasek seconded the motion and the motion carried.

Reynolds stated that the parks and shelter houses are closed for the season with the exception of Cedar Creek Park, which stays open throughout the year. The city leaf pickup begins in Section 3 on November 1st; Section 1 on November 8th and Section 2 on November 15th. All leaves should be windrowed on the boulevard on those Mondays. The yard waste site will be closing on December 1st.

The State Building Code Informational Session scheduled for October 25th has been rescheduled to Monday, November 22, 2021 at 3:30 p.m. in the City Hall Council Chambers.

Council Member Hasek reported that PUC discussed purchasing some new switch gear. The Airport has received a \$60,000 grant for improvements to the inside of the facility.

Council Member Lubenow reported that there was not a quorum at the Park Board meeting. The library has posted the children and young adults librarian position. The Community Center Advisory Board has received the RFPs for the Construction Manager and four board members will be reviewing them.

Council Member Miller reported that CER has been reviewing future programming and looking to include more adult programs. They are also looking at replacing the current brochure and have classes listed on the web store.

Mayor Foster reported that the HRA continues their discussions on forfeitures, property purchases and loan programs.

A motion was made by Council Member Miller, seconded by Council Member Hasek and carried to adjourn the meeting at 6:42 p.m.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk



Fairmont City Council
November 8, 2021

Agenda Item: 6.A.2

From: Patricia J. Monsen, City Clerk
To: Mayor and City Council

Subject: Council Minutes from Special Meeting on October 27, 2021

Policy/Action Requested: To Approve City Council Minutes from October 27, 2021

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview:

Budget Impact: N/A

Attachments: City Council Minutes Regular Meeting, October 27, 2021

Council Action: _____ Date: _____

The minutes of the Fairmont City Council meeting held on Monday, October 27, 2021, at the City Hall Council Chambers.

Mayor Deborah J. Foster called the meeting to order at 5:30 p.m.

Council Members Britney Kawecki, Randy Lubenow, Michele Miller, and Bruce Peters were present. Council Member Hasek was absent. Also in attendance: City Administrator Cathy Reynolds, Public Works Director/City Engineer Troy Nemmers, Finance Director Paul Hoye, Police Chief Mike Hunter and City Clerk Patricia J. Monsen.

Council Member Lubenow made a motion to approve the agenda as presented. Council Member Peters seconded the motion and the motion carried.

Mayor Foster opened the public hearing for the 2021 Improvement Program Special Assessments.

Nemmers presented background on the improvement projects and the assessment process.

No one was present to make comment on project number 4021001 New Construction, Fairlakes Avenue: 310 feet south of existing Deadend or project number 5721001 Reconstruction, Fairlakes Avenue: Deadend to Woodland Avenue.

On project 6721001 Resurface, Fairlakes Avenue: Woodland Avenue to Canyon Drive, Nemmers stated that this was a reconstruction project, but that it was assessed at the resurface rate. Residents Brad Frisch, 509 Canyon; Lisa Kuhl, 511 S. Fairlakes Avenue; and Jack Siebring, 900 Woodland Avenue all objected to the assessments stating that there was nothing wrong with their road and that this project was only done for infrastructure improvements for Lakeview's new construction.

On project 6721002 Resurface, Holland Street: Lucia Avenue to West Anna Street, Ken Simmering of 404 Holland Street, had concerns with the contractor's workmanship. He stated that the new curb and gutter is all chipped up. He was also upset that no temporary mailboxes have been set up, as stated during the preconstruction meeting. Diane Theobald of 1421 Holland Street had questions about the assessments. Jeff Schuett, 1306 Holland Street questioned the interest rate being charged and had concerns that the project was not complete, but he was being assessed.

No public comment was received on the Overlay and Seal Coat projects.

Council Member Peters made a motion to close the public hearing. Council Member Miller seconded the motion. On roll call: Council Members Kawecki, Lubenow, Miller and Peters all voted aye. No one voted nay. Mayor Foster declared said motion passed.

Council Member Peters made a motion to reduce the assessments on project 6721001 to \$27 per assessable front foot. Council Member Miller seconded the motion. Council Member Lubenow offered an amendment to the motion to reduce the assessments to \$15 per assessable front foot. Council Members Peters and Miller accepted the amendment and the motion carried.

A motion was made by Council Member Miller, seconded by Council Member Lubenow and carried to adjourn the meeting at 6:23 p.m.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk



Fairmont City Council
November 8, 2021

Agenda Item: 6.C.1

From: Patricia J. Monsen, City Clerk
To: Mayor and City Council

Subject: Event Permit – Fairmont Christian School, Fairmont Christian School Harvest Hustle 5K,
November 20, 2021

Policy/Action Requested: Motion to approve the Event Permit for Fairmont Christian Church, Fairmont Christian School Harvest Hustle 5K, November 20, 2021

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview: The Fairmont Christian School has made application for an Event Permit to hold Fairmont Christian School Harvest Hustle 5K on November 20, 2021. This will be a family friendly 5K walk or run to benefit Fairmont Christian School.

Budget Impact: N/A

Attachments: Event Permit Application

Council Action: _____ Date: _____



EVENT APPLICATION/PERMIT

This form must be filed with the City at least thirty (30) days in advance of the event. The City will review the application in accordance with the permitting process outlined in the City Code, Chapter 18. Attach additional sheets, maps, etc. if necessary. For events which include overnight camping a separate addendum must be included with the event application.

Date: November 20th, 2021 Permit Fee: \$15.00

Event: Fairmont Christian School Harvest Hustle 5K

Sponsoring entity: Fairmont Christian School

Address: 1125 S. State St, Fairmont, MN 56031

Maximum estimated number of persons expected to attend at any one time: 75

Event coordinator(s): Kaylynn Steinkamp, Kim Niestrath, Leah Hartung
Contact Info: 507-236-6092 Phone # melissa Hardye
kaylynnoriger@gmail.com E-mail Kelly Grupe
Sharon Sauer

Primary contacts (during event):
Name: Kaylynn Steinkamp Name _____
Cell#: 507-236-6092 Cell# _____
E-mail: kaylynnoriger@gmail.com E-mail: _____

Event Start: Day/Date Saturday 11/20/21 Time: 9:30 am
Event End: Day/Date Saturday 11/20/21 Time: 1:00 pm
Setup: Day/Date Saturday 11/20/21 Start time: 8:30 am End Time: 9:30 am
Teardown: Day/Date Saturday 11/20/21 Start time: 1:00 pm End Time: 1:30 pm

1. Type and description of the event and a list of all activities to take place at the event.
Harvest Hustle 5K is a family friendly 5K walk or run to benefit Fairmont Christian School. A 5K walk or run is planned, starting and ending at Bethel Evangelical Free Church. A Kids K run is planned to take place in the parking lot of Bethel Evangelical Free Church. Kids K starts at 10 am, 5K starts at 10:15 am. Registration/check in starts at 9:30 am

2. Proposed location of event, including a site plan or diagram of the proposed area to be used showing the location of any barricades, perimeter/security fencing, fire extinguishers, safety or first aid stations, entertainment, stages, restrooms or portable toilets, parking areas, ingress and egress routes, signs, special lighting, trash containers and any other items related to the event.

Event located in the parking lot of Bethel Evangelical Free Church. Parking will be in the parking lot North of the church. A check in/registration table, first aid station, and PA system will be in the parking lot South of the church. Kids K race is in the parking lot south of the church. Restrooms available for use inside of Bethel Evangelical Free church Dumpsters for trash also located in the parking lot south of the church. See attached diagram & map for 5K route

3. Will outside drinking water or waste collection systems be supplied? ___ Yes; X No
 If yes, supply public health plans, including the number of toilet facilities that will be available.
 No- However, restrooms available for use at Bethel Evangelical Free Church. We will use dumpster at Bethel Evangelical Free Church for trash
4. Will the event be providing: fire prevention, emergency medical service, security and severe weather shelter. ___ Yes; X No
 If yes, provide the written plans.
 Fire extinguisher is in the church to use in an emergency. A first aid station will be at the event.
 In case of severe weather, will use Bethel Evangelical Free Church for Shelter
5. Will organizers allow outside food wagon/vendors at the event? ___ Yes; X No
 If yes, all food wagons/vendors must complete a Food Wagon/Vendor Permit and submit payment.
6. Will camping or temporary overnight lodging be included for the event? (allowed only at Cedar Creek Park and Winnebago Sports Complex): ___ Yes; X No
 If yes, event coordinator must complete temporary overnight camping permit and submit payment.
7. Will the event be using any sound amplification, public address system or will there be any live performances of any music or musical instruments? X Yes; ___ No
 If yes, please describe: PA system to announce race start, play music during event
8. Will the event restrict or alter normal parking, vehicular traffic or pedestrian traffic patterns? X Yes; ___ No
 If yes, provide a detailed description of all public rights of way and private streets for which the applicant requests the city to restrict or alter traffic flow. (Please attach a detailed map).
9. Will you be providing shuttle service? ___ Yes; X No
 If yes, provide offsite parking locations, shuttle routes, types of vehicles that will be used for shuttling passengers, hours of operation and frequency of shuttle service.

I affirm that I am authorized to execute this application on behalf of the applicant and that the statements contained therein are true and correct to the best of my knowledge. If the special event requires special services provided by the City of Fairmont, the applicant agrees to indemnify, defend and hold the City of Fairmont, its officials, employees, and agents harmless from any claim that arises in whole or in part out of the special event, except any claims arising solely out of the negligent acts or omissions of the City of Fairmont, its officials, employees and agents. The applicant agrees to pay all fees and meet all City Code requirements.

Signature Kaylyn R. Steinbamp Title _____ Date 11/2/21

If you would like your event published on the City's website/Community Calendar, please indicate: ___ Yes; X No

Office Use Only			
\$15.00 Fee Paid	Date: <u>11/3/21</u>	Received by: <u>Patty</u>	
Requires Council Approval	<u>X</u> Yes; ___ No	Council Meeting Date: <u>11-8-21</u>	Action:
City Administrator Approval	Yes	No	Date

- Permit distribution:
- ___ City
 - ___ Applicant
 - ___ Police
 - ___ Parks/Streets
 - ___ Other

State St

Birch St

Bethel Evangelical
Free Church

Event
Parking

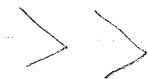
Registration/
Information

First
Aid

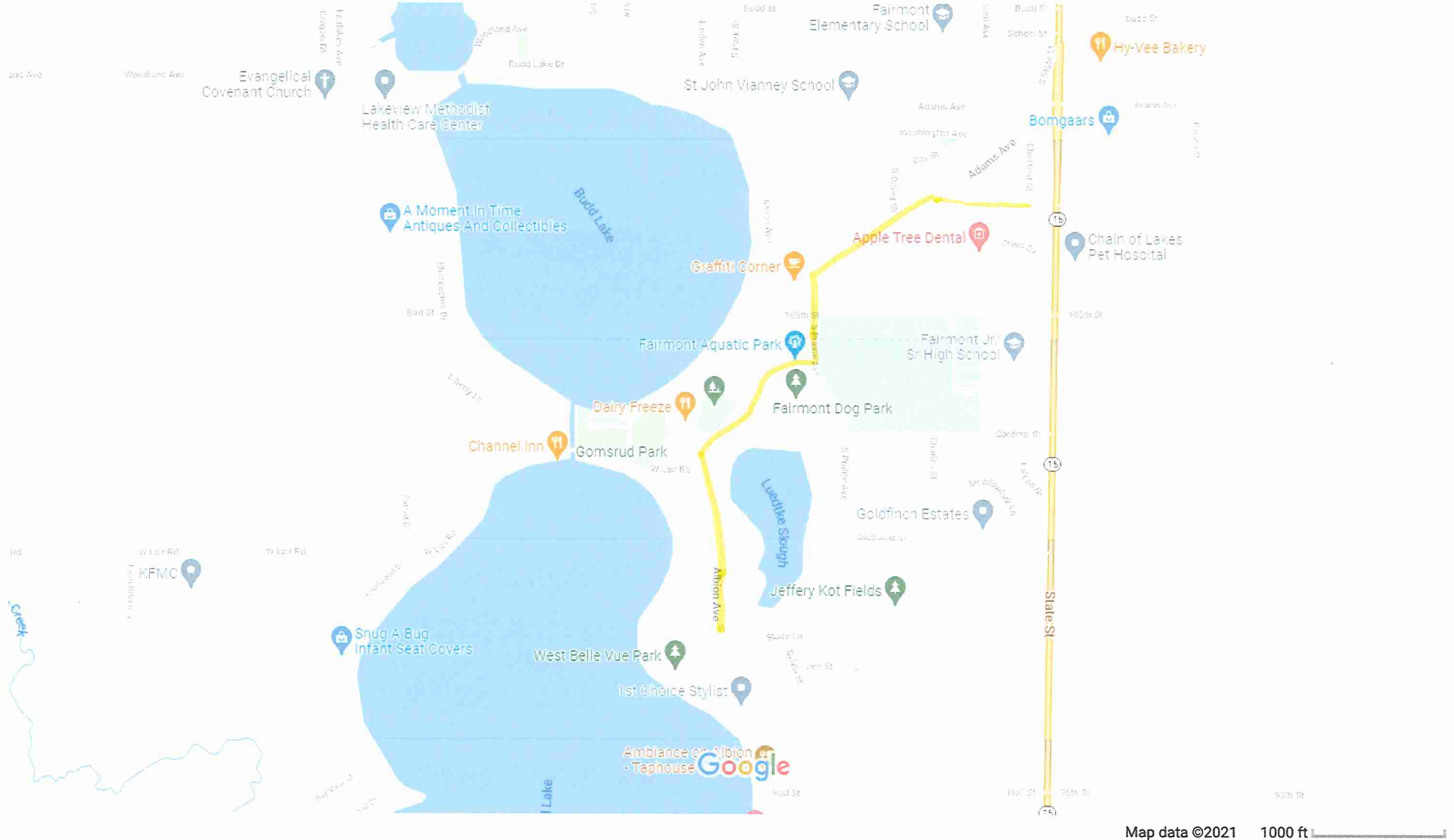
PA
system

Dumpster

Kids K Route around
parking lot



Spruce St



Harvest Hustle 5K Route- November 20, 2021

Begin at Bethel Evangelical Free Church (1125 S. State St)

Cross State Street to frontage road on the north side of State Street

Run southwest on the frontage road on State Street to the intersection with South Prairie Avenue

Continue on South Prairie Avenue to the Fairmont Aquatic Park. Run on the path near the Fairmont Aquatic Park. Continue along the path along side of Albion Avenue. Turn around on the path where Albion Avenue intersects Hodgman Avenue.

Reverse route back to Bethel Evangelical Free Church.

Proposed location of altered traffic flow for crossing the State Street across from Bethel Free Evangelical Church and at the traffic lights at the intersection of South Prairie Avenue and State Street.

Would place cones at the end of the route on the path near the intersection of Albion Ave and Hodgman Ave.



Fairmont City Council
November 8, 2021

Agenda Item: 9.1

From: Troy Nemmers, PE – Director of Public Works/City Engineer
To: Mayor and City Council

Subject: MNDOT Grant Agreement for Airport Maintenance and Operation

Policy/Action Requested: To approve Resolution 2021-52 authorizing the Mayor and City clerk to sign the MNDOT grant agreement

Vote Required: Simple Majority Roll Call

Recommendation: To approve

Overview: The maintenance and operations agreement is up for renewal between the State of MN and the Fairmont Municipal Airport. This agreement defines the City’s obligations to maintain the airport and defines the amount of state reimbursement that the city receives. The agreement is good for the next 2 state fiscal years, or until 6/30/23. Staff is recommending approval.

Budget Impact: These funds will be included in the annual revenues and will be used for maintenance and operation at the airport.

Attachments: Resolution 2021-52
MNDOT Grant Agreement 1047452

Council Action: _____ Date: _____

RESOLUTION 2021-52

**AUTHORIZATION TO EXECUTE
MINNESOTA DEPARTMENT OF TRANSPORTATION
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

It is resolved by the City of Fairmont as follows:

1. That the state of Minnesota Contract Number 1047452,
"Airport Maintenance and Operation Grant Contract," at the
Fairmont Municipal Airport is accepted.
2. That the _____ Mayor _____ and _____ City Clerk _____ are
(Mayor, Chairperson, President, etc.) (Clerk, Auditor, Secretary, etc.)
authorized to execute this Contract and any amendments on behalf of the
City of Fairmont.

CERTIFICATION

STATE OF MINNESOTA
COUNTY OF MARTIN

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the
_____ City of Fairmont _____
(Name of the Recipient)

at an authorized meeting held on the ____ 8th _____ day of __November_____, 2021 as _____
shown by the minutes of the meeting in my possession.

Signature: _____
(Clerk or Equivalent)
Patricia J. Monsen, City Clerk

CORPORATE SEAL

/OR/

NOTARY PUBLIC

My Commission Expires: _____

STATE OF MINNESOTA
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT

State Project Number (S.P.): A4601-MO22

State Project Number (S.P.): A4601-MO23

This contract is between the State of Minnesota, acting through its Commissioner of Transportation (“State”) and City of Fairmont acting through its City Council (“Recipient”).

RECITALS

1. Minnesota Statutes §§360.015 and 360.305 authorize State to provide financial assistance to airports for maintenance and operation activities.
2. Recipient owns, operates, or controls an airport (“Airport”) in the state system, and Recipient desires financial assistance from the State for maintenance and operation activities for State Fiscal Year 2022 and State Fiscal Year 2023.
3. Recipient represents that it is duly qualified and agrees to perform all services described in this contract to the satisfaction of the State.

CONTRACT TERMS

1. Term of Contract and Survival of Terms

- 1.1. **Effective Date:** This contract will be effective on July 1, 2021, or the date State obtains all required signatures under Minnesota Statutes §16B.98, subdivision 5, whichever is later. As required by Minnesota Statutes §16B.98 Subd. 7, no payments will be made to Recipient until this contract is fully executed.
- 1.2. **Expiration Date:** This contract will expire on June 30, 2023.
- 1.3. **Survival of Terms:** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this contract, including, but not limited to, the following clauses: 9. Indemnification; 10. State Audits; 11. Government Data Practices; 13. Governing Law, Jurisdiction and Venue; and 14. Data Disclosure.

2. Recipient’s Duties

- 2.1. Recipient will operate and maintain the Airport in a safe, serviceable manner for aeronautical purposes only for the use and benefit of the public.
- 2.2. The Recipient will keep the runway and the area around the lights mowed at the Airport. The grass must be mowed at least 7 feet beyond the lights, and the grass must not exceed 6 inches in height on the landing area. The areas around any navigational aids will be mowed and plowed to keep the area clear for access by a vehicle.
- 2.3. If the Airport remains operational during the winter months, the Recipient will keep at least one runway, associated taxiway, and apron area cleared of snow and ice to the same priority as arterial roads. Snow banks must be limited in height so that aircraft wings, engines, and propellers will clear them. Landing strip markers and/or lights must remain visible.

- 2.4. If the State contracts for the periodic paint striping of the Airport's runways and taxiways during the term of this Contract, the Recipient will cooperate with the marking operation. The Recipient must coordinate seal coat pavement maintenance projects with the State to maximize the pavement marking life.
- 2.5. The Recipient will allow a representative of the State's Office of Aeronautics access to any area of the Airport necessary for the purpose of periodic inspections.
- 2.6. The Recipient will promptly pay all utility bills, including those required for navigational aids.

3. Recipient's Assurances

- 3.1. In accordance with Minnesota Statutes § 360.305, subdivision 4, Recipient assures the State that Recipient will operate and maintain the Airport in a safe, serviceable manner for public aeronautical purposes only for a period of one year from the date the Recipient receives final reimbursement under this contract.
- 3.2. Recipient represents and warrants that Recipient has established a zoning authority for the Airport, and such authority has completed, or is in the process of and will complete, with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes §§ 360.061 to 360.074.
- 3.3. Recipient will comply with all required grants management policies and procedures set forth through Minnesota Statutes §16B.97, Subd. 4 (a) (1).

4. Third-Party Contracting

- 4.1. Recipient will comply with all applicable local, state, or federal laws, regulations, policies and procedures in the procurement of goods and services funded in whole or in part under this Contract.

5. Consideration and Payment

- 5.1. **Consideration.** State will pay for all eligible telecommunication, maintenance, and operation costs incurred by Recipient under this Contract as follows:
 - 5.1.1. **Basis.** Recipient will be reimbursed for 100% of telecommunication costs associated with the operation of state-owned navigational aids. Recipient will be paid for 75% of all other eligible maintenance and operation costs not reimbursed by any other source. Eligible maintenance and operations costs will be determined at the sole discretion of State's Authorized Representative.
 - 5.1.2. **Telecommunication Amount.** State has currently obligated \$0.00 in each State fiscal year to reimburse eligible telecommunication costs at 100%.
 - 5.1.3. **Maintenance and Operation Amount.** State has currently obligated \$69,408.00 in each State fiscal year to reimburse other eligible costs at 75%.
 - 5.1.4. **Total Obligation.** The total obligation of State for all compensation and reimbursements to Recipient under this contract will not exceed \$138,816.00 (State fiscal years 2022 and 2023).
- 5.2. **Payment.**
 - 5.2.1. **Invoices.** The Recipient must submit a reimbursement request of its eligible costs to the Director of the Office of Aeronautics on a quarterly basis or as directed by State's Authorized Representative. The State's Office of Aeronautics will supply the reimbursement request forms which Recipient must submit. Reimbursement requests must be submitted according to the following schedule:
 - On or after October 1, **and no later than November 15**, for the period July 1 through September 30.
 - On or after January 1, **and no later than February 15**, for the period October 1 through December 31.
 - On or after April 1, **and no later than May 15**, for the period January 1 through March 31.
 - On or after July 1, **and no later than August 15**, for the period April 1 through June 30.

The State may reject costs that the State determines are not eligible maintenance and operations expenses.
 - 5.2.2. **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.

- 5.2.3. **State's Payment Requirements.** State will promptly pay all valid obligations under this contract as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Recipient's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Recipient within ten days of discovering the error. After State receives the corrected invoice, State will pay Recipient within 30 days of receipt of such invoice.
- 5.2.4. **Grant Monitoring Visit and Financial Reconciliation.** If State's total obligation is greater than \$50,000 in section 5.1.4, above, during the period of performance the State will make at least one monitoring visit and conduct annual financial reconciliations of Recipient's expenditures. The State's Authorized Representative will notify Recipient's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Recipient staff members should be present. Recipient will be provided notice prior to any monitoring visit or financial reconciliation. Following a monitoring visit or financial reconciliation, Recipient will take timely and appropriate action on all deficiencies identified by State. At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Recipient.
- 5.2.5. **Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

6. Conditions of Payment

- 6.1. All services provided by Recipient under this contract must be performed to State's satisfaction, as determined at the sole discretion of State's Authorized Representative and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations, including business registration requirements of the Office of the Secretary of State. Recipient will not receive payment for work found by State to be unsatisfactory or performed in violation of federal, state or local law. In addition to the foregoing, Recipient will not receive payment for Airport's failure to pass periodic inspections by a representative of the State's Office of Aeronautics.

7. Authorized Representatives

- 7.1. **State's Authorized Representative.** State's Authorized Representative will be:

Name/Title: Jenny Bahneman, Grants Specialist Coordinator
Address: Office of Aeronautics,
395 John Ireland Boulevard, Mail Stop 410
Saint Paul, Minnesota 55155
E-Mail: jenny.bahneman@state.mn.us

State's Authorized Representative or his /her successor, will monitor Recipient's performance and has the authority to accept or reject the services provided under this contract. If the Recipient's duties are performed in a satisfactory manner, the State's Authorized Representative will accept each reimbursement request submitted for payment.

- 7.2. **Recipient's Authorized Representative.** Recipient's Authorized Representative will be:

Name/Title: Troy Nemmers, Public Works Director/City Engineer
Address: 100 Downtown Plaza, Fairmont, MN 56031
Telephone: (507) 238-9461
E-Mail: tnemmers@fairmont.org

If Recipient's Authorized Representative changes at any time during this contract, Recipient must immediately notify State.

8. Assignment, Amendments, Waiver and Contract Complete

- 8.1. **Assignment.** Recipient may neither assign nor transfer any rights or obligations under this contract without the prior consent of State and a fully executed Assignment Contract, executed and approved by the same parties who executed and approved this contract, or their successors in office.
- 8.2. **Amendments.** An amendment to this contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original contract, or their successors in office.
- 8.3. **Waiver.** If State fails to enforce any provision of this contract that failure does not waive the provision or State's right to subsequently enforce it.
- 8.4. **Contract Complete.** This contract contains all prior negotiations and agreements between State and Recipient. No other prior understanding regarding this contract, whether written or oral, may be used to bind either party.
- 8.5. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.

9. Indemnification

- 9.1. In the performance of this contract by Recipient, or Recipient's agents or employees, and to the extent permitted by law, Recipient must indemnify, save and hold State, its agents, and employees harmless from any and all claims or causes of action, including reasonable attorney's fees incurred by State, to the extent caused by Recipient's: 1) intentional, willful or negligent acts or omissions; 2) breach of contract or warranty; or 3) breach of the applicable standard of care. The indemnification obligations of this section do not apply if the claim or cause of action is the result of State's sole negligence. This clause will not be construed to bar any legal remedies Recipient may have for State's failure to fulfill its obligation pursuant to this contract.

10. State Audits

- 10.1. Under Minnesota Statutes § 16B.98, Subd.8, the Recipient's books, records, documents, and accounting procedures and practices of Recipient, or other party relevant to this grant contract or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this contract or receipt and approval of all final reports, whichever is later. Recipient will take timely and appropriate action on all deficiencies identified by an audit.

11. Government Data Practices

- 11.1. Recipient and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by State under this contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Recipient under this contract. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either Recipient or State. If Recipient receives a request to release the data referred to in this Clause, Recipient must immediately notify State and consult with State as to how Recipient should respond to the request. Recipient's response to the request must comply with applicable law.

12. Workers' Compensation

- 12.1. Recipient certifies that it is in compliance with Minnesota Statutes §176.181, subdivision 2, pertaining to workers' compensation insurance coverage. Recipient's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

13. Governing Law, Jurisdiction and Venue

- 13.1. Minnesota law, without regard to its choice-of-law provisions, governs this contract. Venue for all legal proceedings arising out of this contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Data Disclosure

- 14.1. Under Minnesota Statutes §270C.65, and other applicable law, Recipient consents to disclosure of its social security number, federal employer tax identification number and Minnesota tax identification number, already provided to State, to federal and state agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring Recipient to file state tax returns and pay delinquent state tax liabilities, if any, or pay other state liabilities.

15. Termination and Suspension

- 15.1. **Termination by the State.** The State may terminate this contract with or without cause, upon 30 days written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 15.2. **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this contract, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Recipient has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.
- 15.3. **Termination for Insufficient Funding.** The State may immediately terminate this contract if: It does not obtain funding from the Minnesota Legislature; or If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Recipient. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Recipient notice of the lack of funding within a reasonable time of the State's receiving that notice.
- 15.4. **Suspension.** The State may immediately suspend this contract in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Recipient during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

16. Discrimination Prohibited by Minnesota Statutes §181.59

- 16.1. Recipient will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract.

17. Limitation.

- 17.1. Under this contract, the State is only responsible for disbursing funds. Nothing in this contract will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this contract.

STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05.*

Signed: _____

Date: _____

SWIFT Contract (SC) ID No. _____

Purchase Order (PO) ID No. _____

*PO staged and to be encumbered with future State fiscal year funds.

RECIPIENT

Recipient certifies that the appropriate person(s) have executed Contracts on behalf of Recipient as required by applicable articles, bylaws or resolutions.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____
(with delegated authority)

Title: _____

Date: _____

MnDOT OFFICE OF FINANCIAL MANAGEMENT – GRANT UNIT

By: _____

Date: _____

MnDOT CONTRACT MANAGEMENT

By: _____

Date: _____



Fairmont City Council
November 8, 2021

Agenda Item: 9.2

From: Cathy Reynolds, City Administrator
To: Mayor and City Council

Subject: 2021 Double Frontage Assessment Agreements

Policy/Action Requested: Motion to adopt Resolution No. 2021-50, approving the Double Frontage Assessment Agreements

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview:

Six property owners and one business have applied for a deferral of their 2021 special assessment due to owning a double frontage lot. While their property abuts such improvement, it does not have vehicle access to the improved street. The property owner(s) is/are agreeing not to develop or open vehicle access from their lot to the street improved. A resolution approving the Double Frontage Assessment Agreements must be adopted by the Council.

Budget Impact: N/A

Attachments: Resolution No. 2021-50

Council Action: _____ Date: _____

RESOLUTION NO. 2021-50

STATE OF MINNESOTA }
COUNTY OF MARTIN } SS
CITY OF FAIRMONT }

RESOLUTION APPROVING THE 2021 DOUBLE FRONTAGE ASSESSMENT AGREEMENTS

WHEREAS, the Double Frontage Assessment Agreements have been received by the following individuals and entity for the properties listed below:

Paul Kastning

Property:	102 E. Interlaken Road	Parcel #:	23.232.0230
Special Assessment #:	7521001-0-0009	Amount:	\$173.33
Street Improvement:	Albion Avenue; Lake Aires Road to Interlaken Road		

Gary & Julie Fowler

Property:	2902 Lynn Street	Parcel #:	23.233.0110
Special Assessment #:	7521001-0-0010	Amount:	\$240.53
Street Improvement:	Albion Avenue; Lake Aires Road to Interlaken Road		

Christopher & Ashley Gerhardt

Property:	2904 Lynn Street	Parcel #:	23.233.0120
Special Assessment #:	7521001-0-0011	Amount:	\$240.50
Street Improvement:	Albion Avenue; Lake Aires Road to Interlaken Road		

Lyn & Barbara Sandersfeld

Property:	2906 Lynn Street	Parcel #:	23.233.0130
Special Assessment #:	7521001-0-0012	Amount:	\$240.53
Street Improvement:	Albion Avenue; Lake Aires Road to Interlaken Road		

Tom & Rebecca Taylor

Property:	2908 Lynn Street	Parcel #:	23.234.0010
Special Assessment #:	7521001-0-0013	Amount:	\$206.80
Street Improvement:	Albion Avenue; Lake Aires Road to Interlaken Road		

Virgil & Sandra Kopeschka

Property:	505 W Margaret Street	Parcel #:	23.037.0170
Special Assessment #:	6721002-0-0001	Amount:	\$3,132.00
Street Improvement:	Holland Street; Lucia Avenue to Anna Street		

RESOLUTION NO. 2021-50, continued

Interlaken Golf Club

Property:	277 E Amber Lake Drive	Parcel #:	23.037.1050
Special Assessment #:	7521001-0-0006	Amount:	\$3,368.25
Street Improvement:	Albion Avenue; Interlaken Road to Lake Aires Road		

Interlaken Golf Club

Property:	277 E Amber Lake Drive	Parcel #:	23.039.1890
Special Assessment #:	7521001-0-0007	Amount:	\$6,021.78
Street Improvement:	Albion Avenue; Interlaken Road to Lake Aires Road		

WHEREAS, the owners are requesting deferral of the assessment due to owning a double frontage lot, which they do not have nor intend to develop vehicle access to the improved street.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAIRMONT, MINNESOTA, that the Double Frontage Assessment Agreements for the owners and their property listed above is hereby approved.

Adopted by the Council this 8th day of November 2021.

Mayor

ATTEST:

City Clerk
(SEAL)



Fairmont City Council
November 8, 2021

Agenda Item: 9.3

From: Cathy Reynolds
To: City Council

Subject: Charter Commission

Policy/Action Requested: Motion to approve Resolution 2021-51 Submitting names to the Chief Judge of the Fifth Judicial District for consideration in making appointments to the Charter Commission

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview: The Fairmont Charter Commission currently has two vacancies. The city has received two applications to be considered for appointment to the Charter Commission. Resolution 2021-51 submits these two names to the Chief Judge of the Fifth Judicial District for consideration in making appointments to the Charter Commission's current vacancies.

Budget Impact: N/A

Attachments: Resolution 2021-51

Council Action: _____ Date: _____

RESOLUTION NO. 2021-51

RESOLUTION OF THE FAIRMONT CITY COUNCIL SUBMITTING NAMES TO
THE CHIEF JUDGE OF THE FIFTH JUDICIAL DISTRICT COURT FOR
CONSIDERATION IN MAKING APPOINTMENTS TO THE CITY OF
FAIRMONT CHARTER COMMISSION

WHEREAS, the City of Fairmont (City) is a Home Rule Charter City, and;

WHEREAS, the members of the City of Fairmont Charter Commission (Commission) are appointed by the chief judge for the district court of the judicial district in which the City is situated, which is the Fifth Judicial District, pursuant to Minn. Stat. 410.05, and;

WHEREAS, by order dated May 26, 2020, Fifth Judicial District Chief Judge Michelle A. Dietrich reappointed eight members to four-year terms on the Commission, and further named eight individuals as alternates, to be appointed in the order in which they were listed without need for a new order of appointment in the event any of the fifteen members appointed to the Commission were to decline to serve (or decline to continue to serve), and;

WHEREAS, the Charter Commission has no alternates left to be appointed from the Order and currently has two vacancies, and;

WHEREAS, the City's administrative staff is aware of two individuals interested in being appointed to the Commission, who are not currently on the Commission and who are qualified voters of the City; and

WHEREAS, Minn. Stat. 410.05, subd. 3 provides that a "city council . . . may submit to the court the names of eligible nominees which the district court may consider in making appointments to the charter commission."

NOW THEREFORE, BE IT RESOLVED by the City Council for the City of Fairmont as follows:

The City Council of the City of Fairmont forwards the following qualified voters of the city for the Chief Judge of the Fifth Judicial District consideration for appointment to the City of Fairmont Charter Commission:

Robert Gunther
601 Shoreacres Dr., #303
Fairmont, MN 56031

Ronald D. Lindberg
1428 Oak Beach Dr.
Fairmont, MN 56031

ADOPTED by the City Council this 8th day of November 2021.

Deborah J. Foster, Mayor

ATTEST:

Patricia J. Monsen, City Clerk



Fairmont City Council
November 8, 2021

Agenda Item: 9.4

From: Cathy Reynolds
To: City Council

Subject: National Opioid Settlement

Policy/Action Requested: Motion to “opt in” to the National Opioid Settlement

Vote Required: Simple Majority Roll Call

Recommendation: Approval

Overview: Attached please find a letter from the Office of Minnesota Attorney General Keith Ellison regarding the proposed national settlement of opioid litigation brought by states and local political subdivisions. Minnesota has decided to participate in the settlements. Each political subdivision must now decide if they want to participate in the settlement agreement.

Staff recommends that city opt-in to the proposed settlement.

Budget Impact: N/A

Attachments: Letter

Council Action: _____ Date: _____



TO LOCAL POLITICAL SUBDIVISIONS:
IMPORTANT INFORMATION ABOUT THE NATIONAL OPIOID SETTLEMENT.
SUBDIVISIONS MUST SUBMIT SIGNED DOCUMENTATION TO PARTICIPATE.
THE DEADLINE FOR PARTICIPATION TO MAXIMIZE SETTLEMENT BENEFITS IS JANUARY 2, 2022.

If your subdivision is represented by an attorney with respect to opioid claims, please immediately contact them.

After years of negotiations, two proposed nationwide settlement agreements (“Settlements”) have been reached that would resolve all opioid litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen (“Distributors”), and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson (collectively, “Janssen”).

The proposed Settlements require the Distributors and Janssen to pay billions of dollars to abate the opioid epidemic. Specifically, the Settlements require the Distributors to pay up to \$21 billion over 18 years and Janssen to pay up to \$5 billion over no more than 9 years, for a total of \$26 billion (the “Settlement Amount”). Of the Settlement Amount, approximately \$22.7 billion is earmarked for use by participating states and subdivisions to remediate and abate the impacts of the opioid crisis.

The Settlements also contain injunctive relief provisions governing the opioid marketing, sale and distribution practices at the heart of the states’ and subdivisions’ lawsuits and further require the Distributors to implement additional safeguards to prevent diversion of prescription opioids.

Each of the proposed Settlements has two key participation steps. First, each state decides whether to participate in the Settlement. Minnesota has joined both Settlements. Second, the subdivisions within each participating state must then decide whether to participate in the Settlements. Generally, the more subdivisions that participate, the greater the amount of funds that flow to that state and its participating subdivisions. Any subdivision that does not participate cannot directly share in any of the settlement funds, even if the subdivision’s state is settling and other participating subdivisions are sharing in settlement funds.

This letter is part of the formal notice required by the Settlements.

WHY IS YOUR SUBDIVISION RECEIVING THIS NOTICE?

You are receiving this letter because Minnesota has elected to participate in both of the two national Settlements against (1) the Distributors, and (2) Janssen, and your subdivision may participate in the Settlements to which your state has agreed. This notice is being sent directly to subdivisions and also to attorneys for subdivisions that we understand are litigating against these companies. If you are represented by an attorney with respect to opioid claims, please immediately contact them. Please note that there is no need for subdivisions to be represented by an attorney or to have filed a lawsuit to participate in the Settlements.

WHERE CAN YOU FIND MORE INFORMATION?

This letter is intended to provide a brief overview of the Settlements. Detailed information about the Settlements may be found at: www.nationalopioidsettlement.com. This national settlement website also includes links to information about how the Settlements are being implemented in your state and how settlement funds will be allocated within your state. This website will be supplemented as additional documents are created. The Minnesota Attorney General's Office has also set up a state-specific website, which may be found at: www.ag.state.mn.us/opioids. This website includes Minnesota-specific information regarding Minnesota's Opioid Epidemic Response Advisory Council and the Attorney General's opioid-related cases. Minnesota's website will be supplemented to include additional information about allocation and distribution of settlement funds within Minnesota.

HOW DO YOU PARTICIPATE IN THE SETTLEMENTS?

You must go to the national settlement website to register to receive in the coming weeks and months the documentation your subdivision will need to participate in the Settlements (if your subdivision is eligible). All required documentation must be executed and submitted electronically through the website and must be executed using the "DocuSign" service. As part of the registration process, your subdivision will need to identify, and provide the email address for, the individual who will be authorized to sign formal and binding documents on behalf of your subdivision.

Your unique Subdivision Identification Number to use to register is: H8SF3T

HOW WILL SETTLEMENT FUNDS BE ALLOCATED IN EACH STATE?

The settlement funds are first divided among the participating states according to a formula developed by the Attorneys General that considers population and the severity of harm caused by the opioid epidemic in each participating state. Each state's share of the abatement funds is then further allocated within each state according to agreement between the state and its subdivisions, applicable state allocation legislation, or, in the absence of these, the default provisions in the agreements.

Many states have or are in the process of reaching an agreement on how to allocate abatement funds within the states. Information about Minnesota's opioids legislation can be found on the national settlement website as well as on the Minnesota Attorney General's website. The allocation section of the national website will be supplemented as more intra-state allocation arrangements are finalized.

In reviewing allocation information, please note that while all subdivisions may participate in the Settlements, not all subdivisions are eligible to receive direct payments. To promote efficiency in the use of abatement funds and avoid administratively burdensome disbursements that would be too small to add a meaningful abatement response, certain smaller subdivisions do not automatically receive a direct allocation. However, participation by such subdivisions will help maximize the amount of abatement funds being paid in the Settlements, including those going to counties, cities, parishes, and other larger subdivisions in their communities.

In some states there will be a proposed state-subdivision agreement that is in the process of being adopted by subdivisions. Any questions concerning the status or terms of the state-subdivision agreement, allocation statute, and/or statutory trust in your state, if applicable, can be directed to the Attorney General's Office.

You may be contacted by the Attorney General's Office with additional information regarding the allocation of settlement funds in Minnesota. Subdivisions with representation can expect information from their attorneys as well. We encourage you to review all materials and to follow up with any questions. The terms of these Settlements are complex and we want to be sure you have all the information you need to make your participation decision.

WHY YOU SHOULD PARTICIPATE

A vast majority of states have joined the Settlements, and attorneys for many subdivisions have already announced support for them. For example, the Plaintiffs' Executive Committee, charged with leading the litigation on behalf of more than 3,000 cities, counties and others against the opioid industry, and consolidated in the national multi-district litigation ("MDL") pending before Judge Dan Aaron Polster in the Northern District of Ohio, recommends participation in these Settlements.

Subdivision participation is strongly encouraged, for the following reasons:

First, the amounts to be paid under the Settlements, while insufficient to abate the epidemic fully, will allow state and local governments to commence with meaningful change designed to curb opioid addiction, overdose and death;

Second, time is of the essence. The opioid epidemic continues to devastate communities around the country and it is critical that the funds begin to flow to allow governments to address the epidemic in their communities *as soon as possible*;

Third, if there is not sufficient subdivision participation in these proposed Settlements, the Settlements will not be finalized, the important business practice changes will not be implemented, the billions of dollars in abatement funds will not flow to communities, and more than 3,000 cases may be sent back to their home courts for trial, which will take many years;

Fourth, the extent of participation also will determine how much money each state and its local subdivisions will receive because approximately half of the abatement funds are in the form of "incentive payments," *i.e.*, the higher the participation of subdivisions in a state, the greater the amount of settlement funds that flow into that state;

Fifth, you know first-hand the effects of the opioid epidemic on your community. Funds from these Settlements will be used to commence abatement of the crisis and provide relief to your citizens while litigation and settlement discussions proceed against numerous other defendants in the opioid industry; and

Sixth, because pills do not respect boundaries, the opioid epidemic is a national crisis that needs a national solution.

NEXT STEPS

These Settlements require that you take affirmative steps to "opt in" to the Settlements. If you do not act, you will not receive any settlement funds and you will not contribute to reaching the participation thresholds that will deliver the maximum amount of abatement funds to your state.

First, register your subdivision on the national settlement website so that information and documents required to participate can be sent to you. You will need the email address of the person who will be authorized to sign on behalf of your subdivision. This is the only action item needed at this time.

Second, have your authorizing person(s) or body begin to review the materials on the websites concerning the settlement agreement terms, allocation and other matters. Develop a list of questions for your counsel or the Attorney General's Office. In the very near future, your subdivision will need to begin the process of deciding whether to participate in the proposed Settlements, and subdivisions are encouraged to work through this process well before the January 2, 2022 deadline to be an initial participating subdivision. Again, the Attorney General's Office, your counsel, and other contacts within the state are available to discuss the specifics of the Settlements within your state, and we encourage you to discuss the terms and benefits of the Settlements with them.

Third, monitor your email for further communications, which will include a Participation Agreement, Release, (where applicable) a model Resolution, and instructions on executing using DocuSign.

We urge you to view the national settlement website and the Minnesota website at your earliest convenience. Information and documents regarding the national Settlements and your state allocation can be found on the settlement website at www.nationalopioidsettlement.com. The Minnesota Attorney General's website can be found at www.ag.state.mn.us/opioids.

If you have questions about the Settlements and your subdivision is represented by an attorney with respect to opioid claims, you should contact your attorney. If you have questions for the Minnesota Attorney General's Office, you can send an email to opioids@ag.state.mn.us for the following attorneys in the Minnesota Attorney General's Office who are working on opioid-related matters:

James Canaday
Deputy Attorney General

Carly Melin
Director of Government Affairs

Eric Maloney
Assistant Attorney General

Evan Romanoff
Assistant Attorney General

You can also call the Minnesota Attorney General's Office Opioid Issues phone line at **(612) 429-7126** and leave a message regarding any questions you have or any additional information you would like. One of the attorneys listed above will get back to you.

Fairmont, MN 56031
100 Downtown Plz
Cathy Reynolds Administrator
NPD CM-613-334
Postal Service: Please do not mark barcode
122810018762



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NPD

National Opioids Settlements
P.O. Box 43196
Providence, RI 02940-3196

City of Fairmont, MN
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
September 30, 2021

Revenues	2021 Budget	2021 Actual	% of Budget	2020 Actual
Taxes	3,621,899	1,969,536	54.38%	2,159,584
Licenses & Permits	174,800	172,060	98.43%	283,879
Intergovernmental	3,972,159	2,456,311	61.84%	2,718,924
Charges for Services	611,418	641,034	104.84%	368,791
Fines & Forfeits	55,000	35,175	63.95%	35,261
Interest Earnings	50,000	22,861	45.72%	46,186
Miscellaneous	61,750	77,932	126.21%	58,958
Total Revenues	<u>8,547,026</u>	<u>5,374,909</u>	62.89%	<u>5,671,583</u>
Expenditures				
Current				
General Government	1,536,796	1,009,407	65.68%	1,237,542
Public Safety	3,863,433	2,481,033	64.22%	2,484,785
Streets	1,816,047	1,222,585	67.32%	1,424,092
Sanitation	176,853	106,561	60.25%	109,916
Culture & Recreation	1,573,897	1,202,148	76.38%	1,582,618
Total Expenditures	<u>8,967,026</u>	<u>6,021,734</u>	67.15%	<u>6,838,953</u>
Revenues/Expenditures	<u>-420,000</u>	<u>-646,825</u>		<u>-1,167,370</u>
Other Financing Sources (Uses)				
Sale of Assets	-	61,768		13,649
Transfers In	825,000	637,637	77.29%	618,750
Transfers Out	-80,000	-	0.00%	-
Total Other Financing Sources (Uses)	<u>745,000</u>	<u>699,405</u>		<u>632,399</u>
Net Change in Fund Balance	325,000	52,580		-534,971
Fund Balance, January 1		<u>6,141,660</u>		<u>7,947,474</u>
Fund Balance, June 30		<u>6,194,240</u>		<u>7,412,503</u>
Fund Balance Policy 55%-65%		69.1%		82.7%